

No. 87-1394

IN THE

Supreme Court of the United States

OCTOBER TERM, 1987

BLOCK DRUG COMPANY, INC., ET AL.,*Petitioners,*

vs.

MILTON HODOSH and RICHARDSON-VICKS INC.,

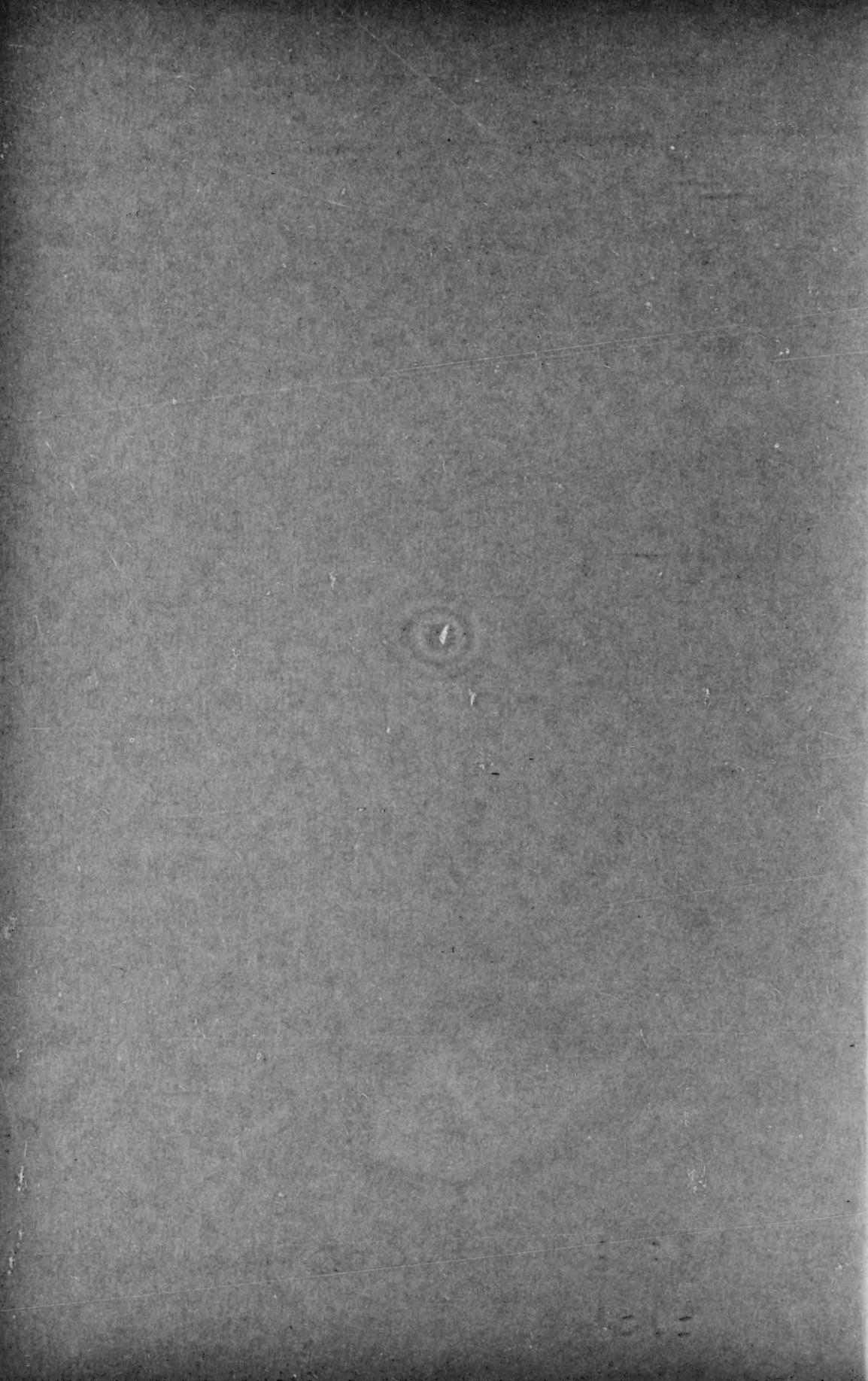
Respondents.

**BRIEF IN OPPOSITION TO PETITION
FOR A WRIT OF CERTIORARI TO
THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

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COUNTERSTATEMENT OF QUESTION PRESENTED

Did the Court of Appeals correctly hold, in answer to the question of law certified by the District Court, that the proper focus in determining the issue of contributory patent infringement and patent misuse under 35 U.S.C. § 271 is on the product actually sold by petitioners and not on an ingredient of that product alone?

STATEMENT PURSUANT TO RULE 28.1

PETITIONERS: Block Drug Company, Inc.
Block Drug Corporation
Dentco, Inc.

RESPONDENTS: Milton Hodosh
Richardson-Vicks, Inc.
Parent: The Procter & Gamble
Company
Partially owned subsidiaries:
P.T. Richardson-Vicks Indonesia
Richardson Hindustan Limited
Vick Nigeria Limited

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1986), cert. denied 107 S.Ct. 106 (1986)

Hodosh v. Block Drug Co., Inc., 226 USPQ 645
(D.N.J. 1985)

STATUTES INVOLVED

35 U.S.C. § 271(c):

Whoever sells a component of a patented machine, manufacture, combination or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial noninfringing use, shall be liable as a contributory infringer.

35 U.S.C. § 271(d):

No patent owner otherwise entitled to relief for infringement or contributory infringement of a patent shall be denied relief or be deemed guilty of misuse or illegal extension of the patent right by reason of his having done one or more of the following: (1) derived revenue from acts which if performed by another without his consent would constitute contributory infringement of the patent; (2) licensed or authorized another to perform acts which if performed without his consent would constitute contributory infringement of the patent; (3) sought to enforce his patent rights against infringement or contributory infringement.

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**BRIEF IN OPPOSITION TO PETITION
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COUNTERSTATEMENT OF THE CASE

This is a five-year old patent infringement action that has yet to be tried. It has been to the Court of Appeals for the Federal Circuit twice — once in 1986 when the Court of Appeals reversed a summary judgment of patent invalidity;¹ and again in 1987 when the Court of Appeals answered the question of law certified by the District Court for interlocutory appeal.² Petitioners

¹ *Hodosh v. Block Drug Co.*, 786 F.2d 1136 (Fed.Cir. 1986), cert. denied 107 S.Ct. 106 (1986).

² *Hodosh v. Block Drug Co.*, 833 F.2d 1575 (Fed. Cir. 1987).

Block Drug Company, Inc. et al. (collectively "Block") now seek a Writ of Certiorari to have the appellate answer to that certified question reviewed by this Court.

Respondent Dr. Hodosh, a practicing dentist, is the inventor and owner of U.S. Patent No. 3,863,006 (the "Hodosh patent"). The Hodosh patent discloses and claims a superior method for desensitizing hypersensitive teeth (Appendix, D-1).³ Claim 4 of the Hodosh patent, which is the only claim that will be asserted at trial, claims a method of desensitizing hypersensitive teeth by applying a non-toxic paste, i.e., a toothpaste, mixed with 1-20% potassium nitrate (Appendix, D-3).⁴

Respondent Richardson-Vicks Inc. ("RVI"), is the exclusive licensee under the Hodosh patent. RVI makes and sells desensitizing toothpaste containing 5% potassium nitrate under the trademark "DENQUEL" (Appendix, B-2 and B-4).

Block makes and sells desensitizing toothpastes containing 5% potassium nitrate under the trademarks "PROMISE" and "SENSODYNE-F" (Appendix, A-3; Petition, p. 6).

Block's PROMISE and SENSODYNE-F toothpastes, like RVI's DENQUEL, have been marketed as specialty products designed particularly for sensitive teeth.⁵ Block admits that purchasers of its toothpastes PROMISE or SENSODYNE-F directly infringe the Hodosh patent when they use those toothpastes to desensitize teeth (Appendix, A-3). Thus, the complaints of Dr. Hodosh and RVI aver that the sale by Block of its PROMISE and SENSODYNE-F toothpastes is contributory infringement of the Hodosh patent under 35 U.S.C. § 271(c), and that Block's advertising and packaging of those toothpastes is active inducement of infringement of the Hodosh patent under 35 U.S.C. § 271(b).

³ Persons suffering from hypersensitive teeth react painfully to heated or chilled foods, citric acid or sweets or other everyday stimuli, including toothbrush contact (Appendix, D-2, col. 1, lines 12-15).

⁴ Potassium nitrate is an old chemical that has many other uses.

⁵ *Hodosh v. Block Drug Co.*, 226 USPQ 645, 656 (D.N.J. 1985).

Before RVI entered the desensitizing toothpaste market with DENQUEL, Block enjoyed a virtual monopoly of that market (approximately 85 to 90%) with its earlier desensitizing toothpaste containing strontium chloride, not potassium nitrate.⁶ When Block became aware of the threat posed by RVI's intent to enter this market with DENQUEL, Block sought a license under the Hodosh patent. RVI — attempting with its new product to compete with Block in this market — refused to license Block (Appendix, A-3). It is this refusal to license Block that Block urges to be patent misuse. Nobody else has requested or has been denied a license under the Hodosh patent.

Block moved in the District Court for summary judgment of patent misuse. The District Court denied that motion⁷, holding (Appendix, B-14):

"In sum, several issues [of material fact] are presented, not the least of which is whether these products [Block's PROMISE and SENSODYNE-F toothpastes] have a substantial use other than to infringe the [Hodosh patent]."

Block sought to avoid this genuine issue of material fact by arguing that under Section 271(c) the Court should not look at whether the desensitizing toothpastes it actually sells have any substantial non-infringing use, but rather that the Court should

⁶ *Hodosh v. Block Drug Co.*, 226 USPQ 645, 647 (D.N.J. 1985).

⁷ Previously, the District Court in denying that motion as being moot had observed (226 USPQ at 656):

"The court notes its doubts as to whether [Block's] product, Promise Toothpaste for Sensitive Teeth, can truly be regarded as 'a staple article ... of commerce suitable for substantial noninfringing use.' . . . Indeed, the evidence before the court tends to confirm the fact that [Block's] toothpastes have been marketed as specialty products designed particularly for sensitive teeth, and that they have been priced, and regulated, accordingly. At most, therefore, an issue of fact appears to exist regarding whether there is a substantial use for [Block's] product that would not infringe plaintiffs' patent were it valid."

look only to the ingredient potassium nitrate which as a staple has many other uses. Block made this argument notwithstanding the fact that it does not sell potassium nitrate by itself as a staple. The District Court and Court of Appeals for the Federal Circuit unanimously rejected Block's argument, holding that Section 271(c) requires the Court to focus on the product actually sold by Block.

SUMMARY OF ARGUMENT

The Petition should be denied because it seeks review of the answer by the Court of Appeals to a certified question of law from an interlocutory order denying summary judgment. Block's Petition for review before final judgment is contrary to this Court's long standing policy of not issuing a writ of certiorari before final judgment except in extraordinary cases.

The Petition should be denied because the Court of Appeals correctly held that Section 271(c) is directed to the product actually sold by the alleged contributory infringer. That decision carefully reviewed and is consistent with the plain language of Section 271, its legislative history, and this Court's prior decisions including *Dawson Chemical Co. v. Rohm & Haas Co.*, 448 U.S. 176 (1980). It is also consistent with the decisions of other Courts of Appeals.

REASONS WHY THE WRIT SHOULD NOT BE GRANTED

A. *This Court Should Not Exercise Its Certiorari Jurisdiction To Review An Answer To A Certified Question Of Law Before Final Judgment*

As this Court often has observed, federal law expresses a policy against piecemeal appeals. *Gardner v. Westinghouse Broadcasting Co.*, 437 U.S. 478, 480 (1978); *Switzerland Assn. v. Horne's Market*, 385 U.S. 23, 24 (1966). Consistent with that statutory policy, this Court has declined to issue writs of certiorari before final judgment except in extraordinary cases. *Firemen v. Bangor & A.R. Co.*, 389 U.S. 327, 328 (1967); *Hamilton Shoe Co. v. Wolf Brothers*, 240 U.S. 251, 258 (1916): "except in extraordinary cases, the writ is not issued until final decree." To like effect is *Amer. Const. Co. v. Jacksonville Railway*, 148 U.S. 372, 384 (1893): "this court should not issue a writ of *certiorari* to review a decree ... on appeal from an interlocutory order, unless it is necessary to prevent extraordinary inconvenience and embarrassment in the conduct of the cause".

Block has failed to make any showing that this is an extraordinary case or that proceeding to final judgment in the District Court would cause extraordinary inconvenience or embarrassment in the conduct of this case. For that reason alone, the writ should not be granted.

B. *The Court Of Appeals Correctly Held That Section 271(c) Is Directed To The Product Actually Sold*

Congress in enacting Sections 271(c) and (d) drew a clear line between contributory infringement and patent misuse. As this Court observed in *Dawson Chemical Co. v. Rohm & Haas Co.*, 448 U.S. 176, 198, 200 (1980):

"If both the patent misuse and contributory infringement doctrines are to coexist, then, each must have

some separate sphere of operation with which the other does not interfere.

* * *

"The approach that Congress took toward the codification of contributory infringement and patent misuse [in 35 U.S.C. §§ 271(c) and (d)] reveals a compromise between those two doctrines and their competing policies that permits patentees to exercise control over nonstaple articles used in their inventions."

Thus, if Block is a contributory infringer under Section 271(c), there can be no patent misuse because Section 271(d) would authorize (1) Dr. Hodosh's grant of an exclusive license under his patent to RVI, (2) RVI's sale of its DENQUEL product, and (3) RVI's right to refuse to license Block under the Hodosh patent.⁸

The issue on the summary judgment motion, which was denied by the District Court, was whether Block was selling a staple or a nonstaple under Section 271(c). The Court of Appeals correctly held, as did the District Court, that the proper focus in determining that issue is on the product actually sold by Block and not on the potassium nitrate ingredient of that product.⁹

⁸ *Dawson* made clear that Section 271(d) authorizes refusals to license others to perform acts which constitute contributory infringement. 448 U.S. at 214-15, 223. Block improperly suggests (Petition, pp. 10, 11) that the force of this precept set down in *Dawson* should somehow be discounted because it was decided by a 5-4 majority of this Court.

⁹ Block improperly raises other questions that were not certified to or answered by the Court of Appeals and will be determined by the District Court on remand, e.g., Block's contention (Petition, pp. 4-5, 11) that the "nontoxic paste" of its product is merely an "inert diluent" (it is not), Block's contention (Petition, pp. 7, 16-18) that "inert diluents" or the like can never be considered in the staple/nonstaple determination (there is no such rule of law), and Block's contention (Petition, p. 15) that such facts as pricing, marketing and consumer preferences are mere "marketplace expedients" which should be ignored in

(Footnote continued)

There can be no doubt that one who merely sells the staple chemical potassium nitrate would not infringe¹⁰ or contributorily infringe the Hodosh patent and to attempt to license or enforce the Hodosh patent against such a person would be misuse. That person is not Block, but is the company that sells potassium nitrate to Block.¹¹ Block does not sell the staple chemical potassium nitrate. Block sells its especially formulated desensitizing toothpastes that contain potassium nitrate as an ingredient and, if its desensitizing toothpastes are nonstaples, Block is a contributory infringer of the Hodosh patent. *Dawson, supra*, 448 U.S. at 186 n.6.

Nor can there be any doubt that the patent misuse doctrine evolved at least in part to foster competition. It is noteworthy that here the only request for a license under the Hodosh patent came from Block who enjoyed a virtual monopoly of the desensitizing toothpaste market (approximately 85 to 90%) before RVI entered that market with its new product DEN-QUEL.¹² Block by requesting a license under the Hodosh patent implicitly recognized that it was not selling a staple because if it were, it would not need such a license. In fact, if Block were selling a staple, the grant of a license to Block under the Hodosh patent could constitute patent misuse. *Switzer Brothers, Inc. v. Locklin*, 297 F.2d 39 (7 Cir. 1961).

the staple/nonstaple determination. Such marketplace facts are material to the requirement that, to be a staple, the product sold must have an actual, commercial noninfringing use. As this Court said in *Dawson* (448 U.S. at 184), "a 'nonstaple' article [is] one that has no commercial use except in connection with [the] patented invention."

¹⁰ Assuming that no active inducement of others to infringe took place.

¹¹ No attempt has been made to license or enforce the Hodosh patent against that supplier.

¹² Block has no support in the record for its statement (Petition, pp. 3, 6) that Hodosh or RVI "refus[ed] to license the patented method unless the licensee also purchased RVI's unpatented toothpaste." That statement is factually incorrect. Nobody other than Block has ever requested or been refused a license under the Hodosh patent.

Block has no basis for its assertion that the Court of Appeals' decision "significantly expands a patentee's monopoly" (Petition, p. 7). In answering the certified question, the Court of Appeals correctly looked to the plain language of Section 271 (Appendix, A-5, A-6) as well as its legislative history (Appendix, A-6, A-7). The Court of Appeals also correctly considered *Dawson* and other prior decisions of this Court,¹³ as well as decisions of other Courts of Appeals (Appendix, A-7 through A-9).

1. The Plain, Unambiguous Language Of Section 271(c) Is Conclusive And Directs That Contributory Infringement Is Determined By The Product Actually Sold

The answer to the certified question turns on the construction of Section 271(c). As this Court stated in *Dawson*, *supra* (448 U.S. at 187):

"It is axiomatic, of course, that statutory construction must begin with the language of the statute itself."

The Court of Appeals started there, found no ambiguity in that statute (Block points to none) and held that its plain wording refuted Block's argument (Appendix, A-4 through A-6). This was the correct approach. "If the statutory language is clear, it is ordinarily conclusive." *United States v. Clark*, 454 U.S. 555, 560 (1982); *United States v. Turkette*, 452 U.S. 576, 580 (1981); *Consumer Product Safety Comm'n v. GTE Sylvania*, 447 U.S. 102, 108 (1980).

Section 271(c) unambiguously states that it is the material sold which controls in applying that statute. Applying the language of that statute to this case:

¹³ It is not true that the Court of Appeals "discarded" (Petition, p. 10) these decisions — the Court of Appeals correctly concluded that they did not answer the certified question (Appendix, A-8, A-9). In other circumstances, the Court of Appeals has not hesitated to apply this Court's authorities on patent misuse. *Senza-Gel Corp. v. Seiffhart*, 803 F.2d 661, 665 (Fed.Cir. 1986).

“Whoever [Block] sells . . . a material [Promise and Sensodyne-F toothpastes] . . . for use in practicing a patented process [Hodosh patent Claim 4], constituting a material part of the invention [potassium nitrate mixed with a nontoxic paste as called for by Claim 4], knowing the same to be especially made or especially adapted for use in an infringement of such patent [Block labels and promotes those toothpastes as ‘toothpastes for sensitive teeth’ and knew of the Hodosh patent before it began selling those toothpastes], and not a staple article or commodity of commerce suitable for substantial noninfringing use [the genuine issue of fact found by the District Court], shall be liable as a contributory infringer.”

The plain words of the statute require the Court to focus on what is actually sold and the Court of Appeals correctly rejected Block’s argument to the contrary.

2. The Legislative History Of Section 271(c) Shows An Unambiguous Congressional Intent To Focus On The Product Actually Sold

The Court of Appeals also looked to the legislative history of Section 271(c) and found that it confirmed the Court’s construction of that statute: “The legislative history of § 271(c) is in complete agreement with reliance on the plain wording of the statute” (Appendix, A-6).

Section 271(c) was enacted as part of The Patent Act of 1952 – the result of an effort of over four years to reform the patent laws. The title of the bill originally proposed in 1948 was, “A Bill to Provide for the Protection of Patent Rights Where Enforcement Against Direct Infringers Is Impracticable, To Define Contributory Infringement And For Other Purposes”. As Mr. Giles Rich (one of the principal authors of the Act, and now a Judge of the Court of Appeals for the Federal Circuit) testified, this bill (similar to Section 271(c) as eventually enacted) was intended

to offset the perceived effect of *Mercoid Corp. v. Mid-Continent Co.*, 320 U.S. 661 (1944) and *Mercoid Corp. v. Honeywell Co.*, 320 U.S. 680 (1944), i.e., that the *Mercoid* decisions "destroyed [the contributory infringement] doctrine" (Rich, Hearings on H.R. 5988, H.R. 4061 and H.R. 5248 before the Subcommittee on Patents, Trademarks and Copyrights of the House Committee on the Judiciary, 80th Cong., 2d Sess., pp. 4-5 (1948)). Mr. Rich explained (id.):

"The decisions prevent the patentee from obtaining relief against the person who is guilty of causing infringement of the patent and leave him only the right to recover against innocent members of the public who have been induced to use the patented process. Thus, the effect of the decisions is to protect the guilty and encourage suits against the innocent. As a practical matter, no patentee can afford to attempt to protect his invention by suing all the innocent members of the public who have been induced to use it."

The Court of Appeals also relied (Appendix, A-6) on Mr. P. J. Federico, another of the principal authors of The Patent Act of 1952, citing his *Commentary On The New [1952] Patent Act* (published in 35 U.S.C.A. Vol. 1 (1952)), p. 53, which states:

"Paragraph (c) [of Section 271] deals with what the Committee Report characterized as 'the usual situation in which contributory infringement arises'. Contributory infringement under this paragraph requires the presence of the following factors:

"1. *The thing sold* must be 'a component of a patented machine, manufacture, combination or composition, or a material or apparatus for use in practicing a patented process.' *The thing sold* is presumably not itself patented since if it were patented the question of contributory infringement, as distinguished

from direct infringement, would scarcely arise and the paragraph would have little or no apparent purposes.¹⁴

"2. *The thing sold* must constitute a material part of the invention, that is, of the patented invention.

"3. *The thing sold* must be especially made or especially adapted for use in an infringement of the patent.

"4. The seller must have knowledge of factor three.

"5. In addition *the thing sold* must not be 'a staple article or commodity of commerce suitable for substantial noninfringing use.' " (Emphasis supplied.)

Thus, the legislative history of Section 271(c) confirms the meaning of the plain language of that statute — the focus is on the product actually sold.

3. The Court Of Appeals' Answer To
The Certified Question Is Not In
Conflict With *Dawson*

In urging that the proper focus for the staple/nonstaple determination be on potassium nitrate alone, Block ignores the plain language of Section 271(c) and its legislative history. Block instead argues that this Court in *Dawson* narrowly defined nonstaples, placing principal reliance (Petition, p. 10) on a quotation from that decision (448 U.S. at 213):

"[B]y enacting §§ 271(c) and (d), Congress granted to patent holders a statutory right to control nonstaple goods that are capable only of infringing use in a

¹⁴ Thus, Block's emphasis (Petition, pp. 5-6) on the fact that the composition claims on potassium nitrate toothpaste were rejected and then abandoned is misplaced. In *Dawson*, *supra*, for example, the substance propanil itself had been found unpatentable, as anticipated, in prior litigation (448 U.S. at 181-82). That did not prevent propanil from being a nonstaple insofar as contributory infringement of the method patent was concerned.

patented invention, and that are essential to that invention's advance over prior art."

From this passage, Block argues (Petition, p. 12) that the proper focus for the staple/nonstaple determination is on the "heart" or "essential" of the invention.¹⁵ In rejecting Block's reliance on *Dawson* as "misplaced" (Appendix, A-7), the Court of Appeals explained (id.):

"Contrary to Block's protestations, the Court in *Dawson* did not address any question of whether courts, when making the staple/nonstaple determination, should look to the product actually sold or to a mere ingredient in that product. Similarly, Block's argument that the court in *Dawson* looked to the 'essence' or 'essential' of the claimed invention when it referred to 'propanil' instead of 'propanil mixed with an inert diluent' is unfounded. Both parties sold the

¹⁵ This Court in *Aro Mfg. Co. v. Convertible Top Co.*, 365 U.S. 336 (1961), rejected the approach of focusing on an alleged "heart" of the invention and ignoring other material elements of the claimed invention in determining infringement in the context of the "repair-reconstruction" doctrine.

Block has seized (Petition, pp. 5, 12) upon the following statement made by the Court of Appeals on the first appeal in reversing the District Court's summary judgment of invalidity of the Hodosh patent (*Hodosh v. Block Drug Co.*, 786 F.2d 1136, 1143 (Fed.Cir. 1986)):

"Dr. Hodosh's invention was the discovery of an apparently superior *desensitizing agent* and he never thought it was a toothpaste formula." (Emphasis in original.)

But on the first appeal, the Court of Appeals did not have before it any issue of contributory infringement (or patent misuse). The Court of Appeals did not imply in any way that the nontoxic toothpaste component of the material actually sold by Block "has nothing to do with the inventive concept" (Petition, p. 5) in determining contributory infringement. Block's strained construction flies in the face of the very principle that motivated the Court of Appeals' original observation – focusing only on potassium nitrate is to ignore the invention as a whole. *Hodosh, supra*, 786 F.2d at 1143 n.5.

same product and Dawson conceded that the product actually sold was a nonstaple article. Hence, the Court had no need to, and did not answer the question here certified.”

The passage from *Dawson* on which Block relies simply referred to the requirement of Section 271(c) that the material actually sold must not be “suitable for substantial noninfringing use” and must be “a material part of the invention.”¹⁶

Rather than construing the scope of Section 271(c) narrowly or broadly, this Court in *Dawson* specifically stated (448 U.S. at 219):

“[S]ince petitioners have conceded contributory infringement for the purposes of this decision, the scope of that subsection is not directly before us.”

This concession by petitioners’ in *Dawson* included a stipulation that propanil was a nonstaple. 448 U.S. at 185-86. There was no reason for this Court to have addressed the issues now raised by Block concerning the proper focus for the staple/nonstaple determination.

Thus, this Court’s decision in *Dawson* provides no support for Block.¹⁷ To the contrary, in *Dawson*, after a thorough

¹⁶ The desensitizing toothpastes sold by Block are a material part of the invention of Claim 4 of the Hodosh patent, i.e., “potassium nitrate mixed with a nontoxic paste.” In any event, the Court of Appeals specifically stated that this issue was not before it (Appendix, A-7 n.12).

¹⁷ Nor do the pre-1952 decisions of this Court support Block. Block improperly states that “[t]he Federal Circuit refused to consider these cases, stating that they are unpersuasive because ‘the court spoke before the advent of § 271’” (Petition, p. 13). This is a gross distortion of what the Court of Appeals said (Cf. Appendix, A-8, A-9). That was only one of a number of reasons given by the Court of Appeals and would apply only to the *Mercoid* decisions of this Court, and *B. B. Chemical* if construed as involving a nonstaple.

(Footnote continued)

discussion of the contributory infringement/misuse case law and the legislative history of Section 271, this Court concluded (448 U.S. at 203):

“In our view, the relevant legislative materials abundantly demonstrate an intent both to change the law and to *expand* significantly the ability of patentees to protect their rights against contributory infringement.” (Emphasis supplied.)

Block’s “advance over the prior art”, i.e., “essence” or “heart” of the invention, theory (Petition, p. 12) would be a contraction of the protection against contributory infringement afforded patentees by Section 271(c) and thus contrary to the intent of Congress in enacting that statute.¹⁸

In addition, this Court observed in *Dawson* (448 U.S. at 188):

“[T]he contributory infringement doctrine. . . exists to protect patent rights from subversion by those who, without directly infringing the patent

The Court of Appeals also said that in most cases, the materials actually sold were themselves found to be staples. This was the case in *Carbice*, 283 U.S. at 29, and in *Leitch*, 302 U.S. at 460. In both *Motion Picture* and *Morton Salt*, the products actually sold were supplies which were not a “material part of the invention”, i.e., the supplies were not an element of the claimed inventions.

Block’s reliance on the post-*Dawson*, *Sony* case is also misplaced. In *Sony*, this Court held that the record supported a finding that there was “significant” noninfringing use for the Betamax (the accused article). 464 U.S. at 442.

¹⁸ The commentator on which Block relies (Petition, pp. 10 n.4, 15 n.9) concedes that Block’s interpretation of *Dawson* would be “a significant limitation which may not have been previously apparent . . . imposed upon the doctrine of contributory infringement” and would turn contributory infringement into “an exceedingly restrictive tort”. Oddi, “Contributory Infringement/Patent Misuse: Metaphysics And Metamorphosis,” 44 *U.Pitt.L.Rev.* 73,85,127 (1982).

themselves, engage in acts designed to facilitate infringement by others. This protection is of particular importance in situations ... where enforcement against direct infringers would be difficult, and where the technicalities of patent law make it relatively easy to profit from another's invention without risking a charge of direct infringement."¹⁹

Block markets PROMISE and SENSDYNE-F for no purpose other than to profit from sales of these products to persons with hypersensitive teeth who, in using those products, directly infringe the Hodosh patent. It would be a practical impossibility for RVI or Dr. Hodosh to monitor direct infringement carried on by persons with hypersensitive teeth in the privacy of their homes. The Court of Appeals observed (Appendix, A-6) that Congress in enacting Section 271 (c) explicitly recognized that without protection from contributory infringement, owners of method patents, like respondent here (Appendix, A-6 n.11), would have no effective protection.

4. The Court Of Appeals' Answer To The Certified Question Is Not In Conflict With The Ninth Circuit

Block relies upon the Ninth Circuit's decision, *Rex Chainbelt Inc. v. Harco Products, Inc.*, 512 F.2d 993 (9 Cir. 1975), in the hope of finding a conflict between the Circuits. But in that case, the Ninth Circuit declined to reverse the District Court's finding of fact that the material actually sold — epoxy resin in "extended" form with inert "fillers" — was a staple (512 F.2d at 998, 1000 n.1).²⁰

¹⁹ Thus, Block's quotation (Petition, pp. 9, 15) from *B.B. Chemical*, for the proposition that "the most convenient way of exploiting a patent" and "marketplace expedients" are irrelevant, must be leavened by these practical considerations expressed in *Dawson*.

²⁰ The other cases cited by Block (Petition, p. 16 n.10) are distinguishable on the same ground. In *Dr. Salsbury's*, the material actually sold by the accused contributory infringer was "3-nitro" in powdered or tablet form, which the Court found was a staple. In *Oxy Metal*, the Court found that certain packaged blends of staple chemicals that the accused contributory infringer actually

(Footnote continued)

Even if the product actually sold in *Rex Chainbelt* had not been a staple, it is questionable whether this would present a conflict between Circuits, given the fact that the Court of Appeals for the Federal Circuit was vested by Congress with nationwide and exclusive jurisdiction in patent appeals²¹ so as to achieve uniformity in patent law,²² and given the fact that the Ninth Circuit's decision in *Rex Chainbelt* preceded the formation of the Federal Circuit. It is submitted that the District Courts in the Ninth Circuit now would follow the Federal Circuit's decision in this case if the product actually sold in *Rex Chainbelt* had not been a staple.

sold were themselves staples and that "the patents at issue do not call for the addition of specific blends of ingredients, but rather the individual chemicals themselves" (216 USPQ at 324).

Block does not address the nonstaple cases cited by the Court of Appeals (Appendix, A-5): *Shumaker v. Gem Manufacturing Co.*, 311 F.2d 273 (7 Cir. 1962); *Watson Packer, Inc. v. Dresser Industries, Inc.*, 193 USPQ 552, 561 (N.D.Tex. 1977).

²¹ 28 U.S.C. §§ 1292(c), 1295.

²² *Atari, Inc. v. JS & A Group, Inc.*, 747 F.2d 1422 (Fed.Cir. 1984).

CONCLUSION

It is respectfully submitted that Block's Petition should be denied.

Respectfully submitted,

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